



Testimony of  
**Ed Hawthorne, President  
Connecticut AFL-CIO**

Appropriations Committee  
February 17, 2022

***HB 5037 An Act Adjusting the State Budget for the Biennium Ending June 30, 2023***

Good evening Senator Osten, Representative Walker and members of the Appropriations Committee. My name is Ed Hawthorne, and I am proud to serve as the President of the Connecticut AFL-CIO, a federation of hundreds of local unions representing more than 200,000 workers in the private sector, public sector, and building trades. Our members live and work in every city and town in our state and reflect the diversity that makes Connecticut great. Thank you for the opportunity to provide testimony.

We are disappointed that Governor Lamont's mid-term budget proposal guts the authority of the State Contracting Standards Board. Instead, he proposes moving oversight of state contracting to the Auditors of Public Accounts and provides funding for three new positions for that purpose.

In all honesty, we cannot say we are surprised. The General Assembly appropriated \$624,994 in each year for five new positions in the biennium budget it adopted last June. That level of funding would have allowed the Board to execute its mission. But days later, \$449,124 in FY 2022 and \$454,355 in FY 2023 were rescinded in the implementer bill, at the administration's insistence, ensuring that the new positions could not be funded. About \$175,870 remained each year for an executive director and an intern.

What is surprising is that the Lamont Administration thinks we don't understand the difference between the State Contracting Standards Board and the Auditors of Public Accounts.

The State Contracting Standards Board is an independent executive branch agency that was established after Governor Rowland pled guilty to accepting vacations, airfare and home improvements from contractors who did business with the state. The General Assembly charged the Board with ensuring the effectiveness and integrity of state contracting and procurement processes. It has authority over acquisition and management of supplies, services, and construction; state contracting and procurement processes and practices; and contracts for the construction, reconstruction, alteration, remodeling, repair, or demolition of public buildings. It also has authority to oversee the outsourcing of state services and can require a state agency to perform a cost-benefit analysis if it seeks to privatize services performed by state employees.

In contrast, the Auditors of Public Accounts is a legislative branch agency charged with auditing "the books and accounts, records of operations and activities, systems and data" of each agency and other state entities every two years, or more frequently if deemed necessary. They report their findings and recommendations to the Governor, the Comptroller and this committee. ***It is an essential and important function of government, but the Auditors' role is to look back at work that has been done since the last audit.*** It does not review proposed contracts or procurement processes. Nor does it perform cost-benefit analyses to determine if cost savings can be achieved. Its work is not proactive. The Auditor of Public Accounts review, *after the fact*, to see if agencies and other state entities followed the rules. They do not have the authority to look forward and stop impropriety before it happens.

We often hear that state government should be run more like a business. While the state's mission differs greatly than many espoused by the business community, there are things the state can learn from business. I suspect that no business would enter into any contract without first doing its full due diligence like conducting a cost-benefit analysis or completing a cost-effectiveness evaluation.

We respectfully ask this committee to ignore the Governor's proposal with regard to the State Contracting Standards Board and instead, fund it at a level that will allow it to perform its statutory function. Thank you for the opportunity to testify.